

Zuffa Ex. 4
(JCCX24 - Presentation of Observations
Based on MMA Data)

Presentation of Observations Based on MMA Data

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1. MMA Events, 2014

Promoter	Events	Promoter	Events
UFC	46	Road	8
Bellator	23	Xtreme Fighting Championship	8
Gladiator	14	BAMMA/BAMMA USA	7
King of the Cage	13	Shooto	7
Cage Warriors	13	Talent	7
Legacy	11	CES	6
M-1 Global	11	PLMMA	6
ONE	11	Titan	6
WSOF	11	West Coast Fighting Championship	6
Cage Fury	10	Absolute Championship Berkut	5
Resurrection	10	Cage Titans	5
Xplode	10	Final Fight Championship	5
Deep/ZST	9	HKFC	5
Jungle	8	292 Other Promoters	481
Pancrase	8		
Total (both columns)			770

1. Notes and Sources

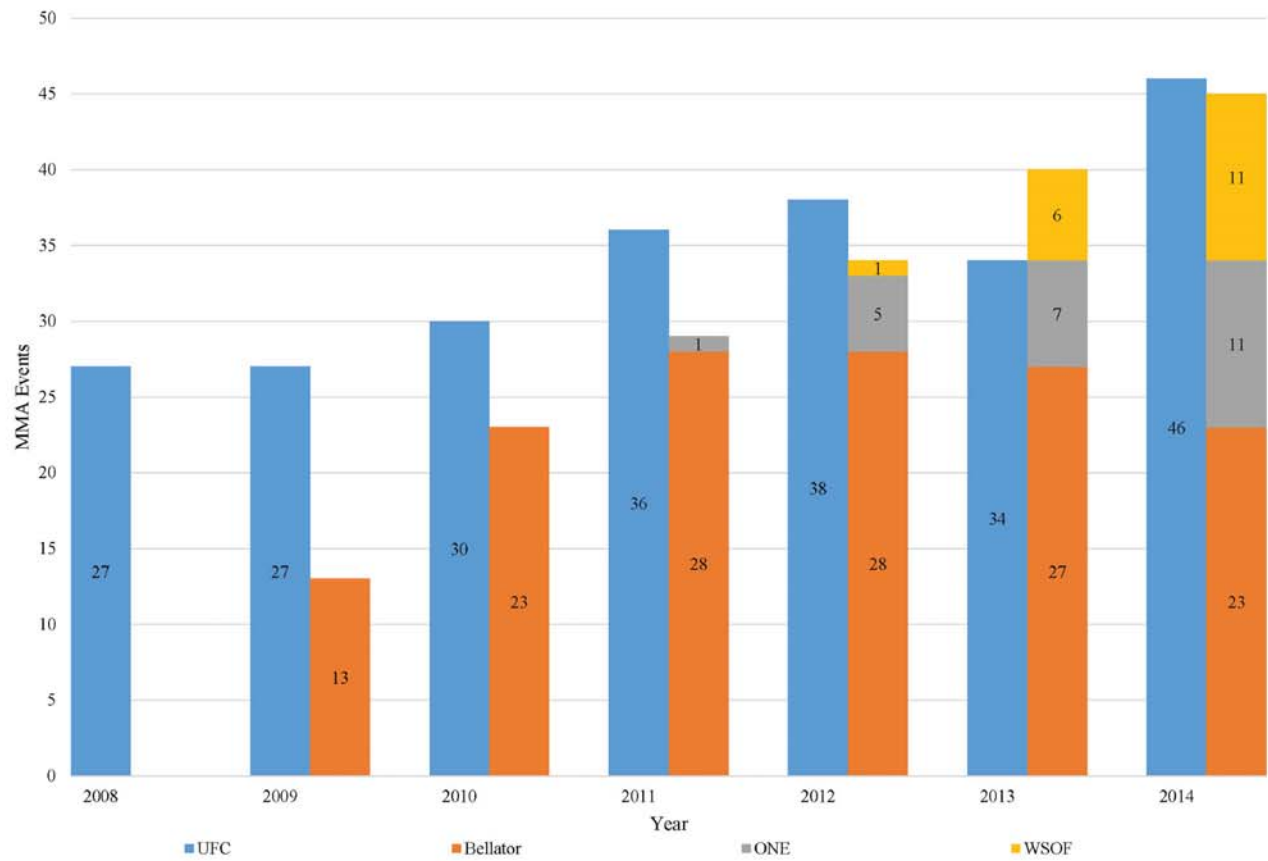
Notes

1. Per Sherdog (sherdog.com), in 2014, 563 unique individuals fought in UFC, 342 in Bellator, 145 in ONE, and 169 in WSOF.
2. "Other Promoters" consists of 292 MMA organizations with between one and four events in 2014.

Sources

1. ESPN MMA Schedule - 2014 (espn.com) (es.pn/1Wg0kXr)

2. MMA Output: UFC Events Compared to Recent Entrants' Events, 2008-2014



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2. Notes and Sources

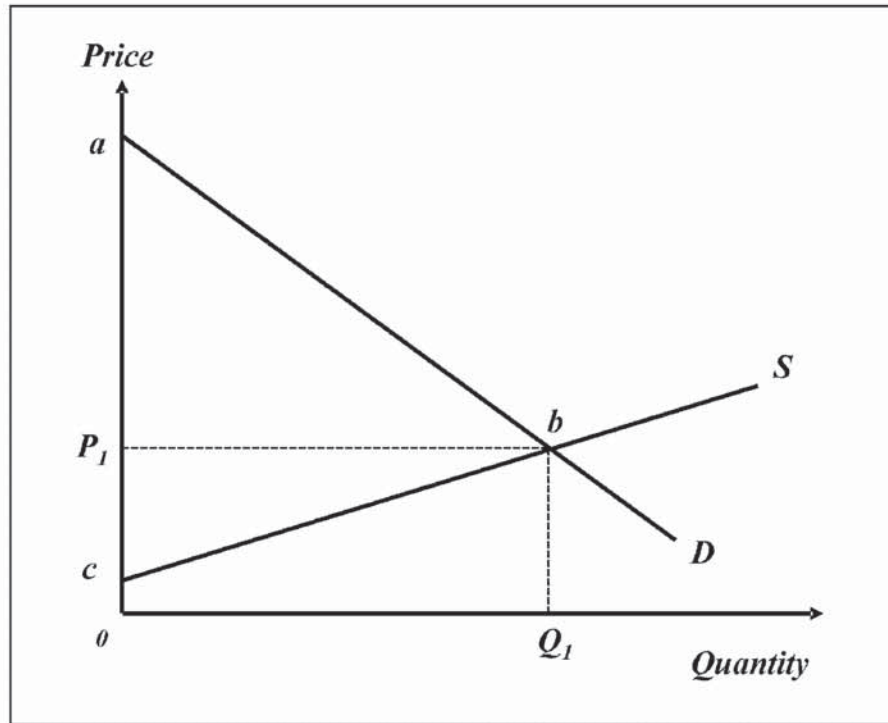
Notes

1. UFC events include WEC events (acquired in 2006) and Strikeforce events occurring after it was acquired in 2011.

Sources

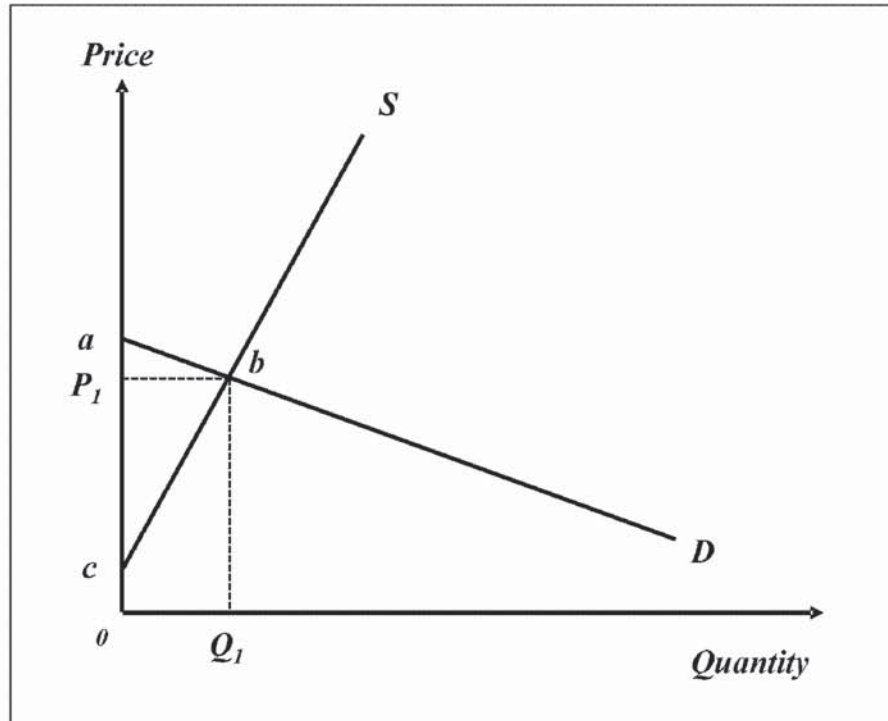
1. ESPN MMA Schedule; <http://espn.go.com/mma/schedule>; accessed 9/11/2015

3. Supply and Demand I

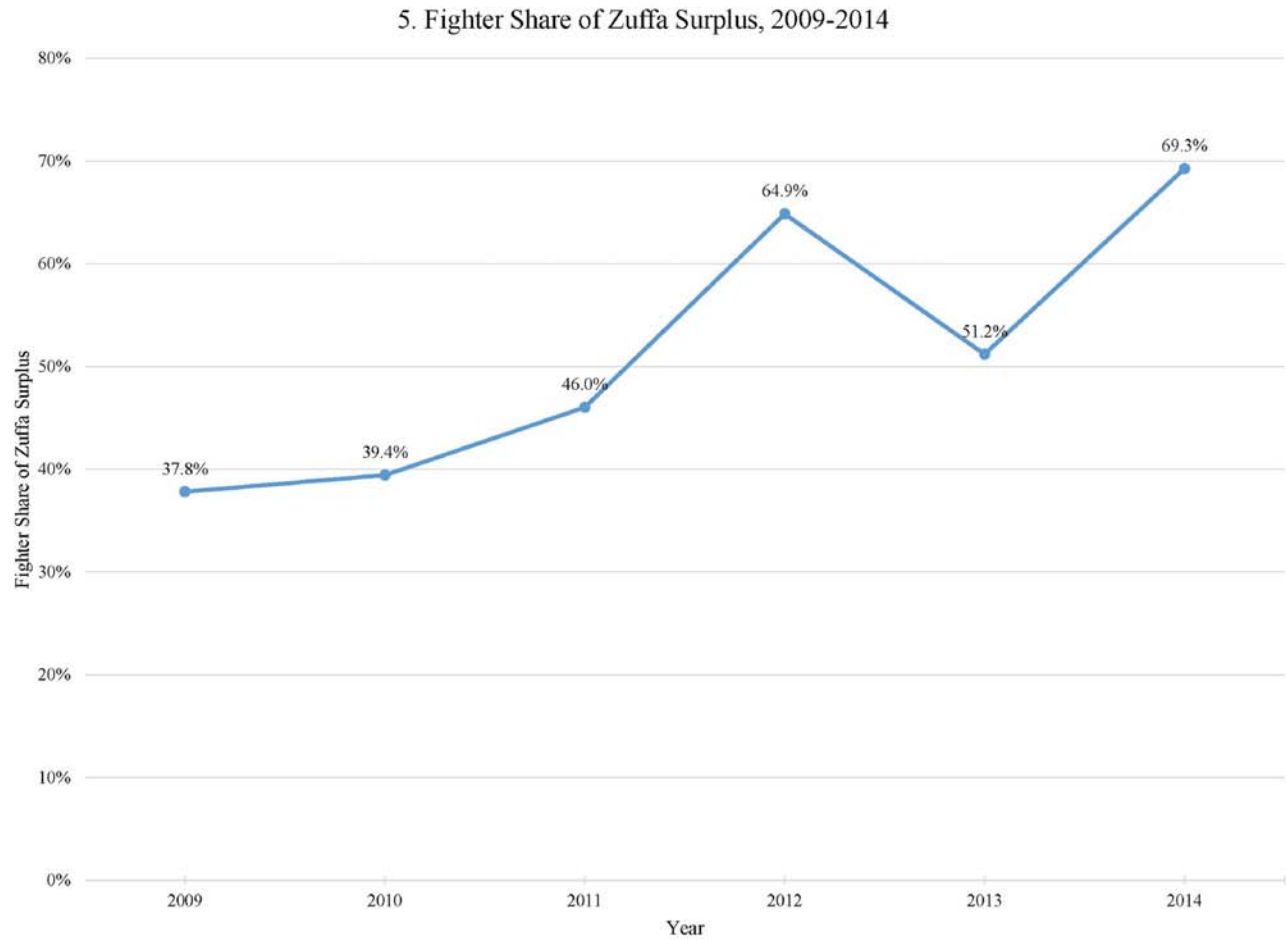


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4. Supply and Demand II



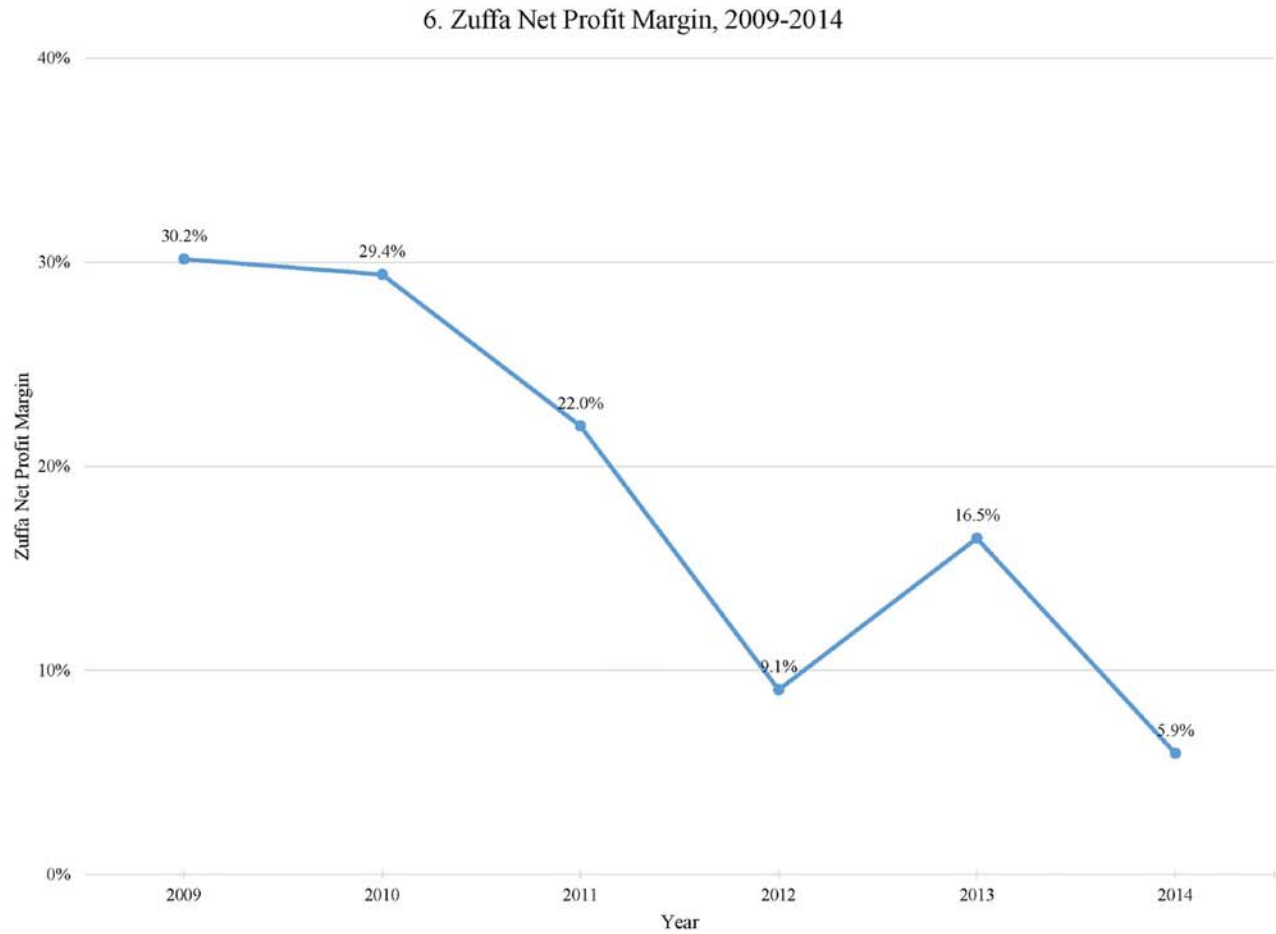
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5. Notes and Sources

Sources

1. Zuffa, LLC and Subsidiaries Consolidated Statements of Income, 2009-2014



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6. Notes and Sources

Sources

1. Zuffa, LLC and Subsidiaries Consolidated Statements of Income, 2009-2014

7. Zuffa Revenue

Year	2010		2013		2014	
Revenue Object	Consolidated YTD	Adjustments	Consolidated YTD	Adjustments	Consolidated YTD	Adjustments
Net Content Revenue	\$326,582,562	\$157,612,946	\$377,784,314	\$247,467,255	\$325,254,485	\$266,745,044
Total Live Event Revenue	\$54,166,256	\$0	\$62,014,097	\$0	\$55,013,062	\$0
Total Sponsorship Revenue	\$28,635,793	\$0	\$55,884,287	\$0	\$53,048,484	\$0
Total Consumer Products Revenue	\$31,817,159	\$0	\$18,959,533	\$0	\$15,691,969	\$0
Gross Revenue	\$441,201,770	\$157,612,946	\$514,642,230	\$247,467,255	\$449,008,000	\$266,745,044
Deductions to Arrive at Net Revenue						
Cost of Sales Accounts	\$103,900,625	\$83,652,063	\$162,166,698	\$121,684,381	\$171,851,466	\$138,265,034
G&A Accounts	\$86,579,293	\$34,384,774	\$118,177,365	\$56,976,759	\$124,514,101	\$58,063,283
Below EBITDA Accounts	\$37,498,286	\$8,053,520	\$49,864,606	\$19,312,664	\$42,116,788	\$17,067,718
Total Deductions	\$227,978,204	\$126,090,357	\$330,208,668	\$197,973,804	\$338,482,354	\$213,396,035

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7. Notes and Sources

Sources

1. Zuffa, LLC and Subsidiaries Consolidated Statements of Income, 2009-2014

8. Other Sports Competitors' Share of Revenue

Year	Organization	Annual Revenue	Source	Year	Player Share	Source
2012	ATP	\$91,000,000	SportsBusiness Journal	2012	25%	New York Times
2011	US Open	\$215,000,000	Wall Street Journal	2012	13%	New York Times
2014	MLB	\$9,000,000,000	Forbes	2014	38%	FanGraphs
2014	CFL	\$213,000,000	Yahoo! Sports Canada	2014	22%	Yahoo! Sports Canada
N/A	MLS	N/A	N/A	2012	20%	SB Nation

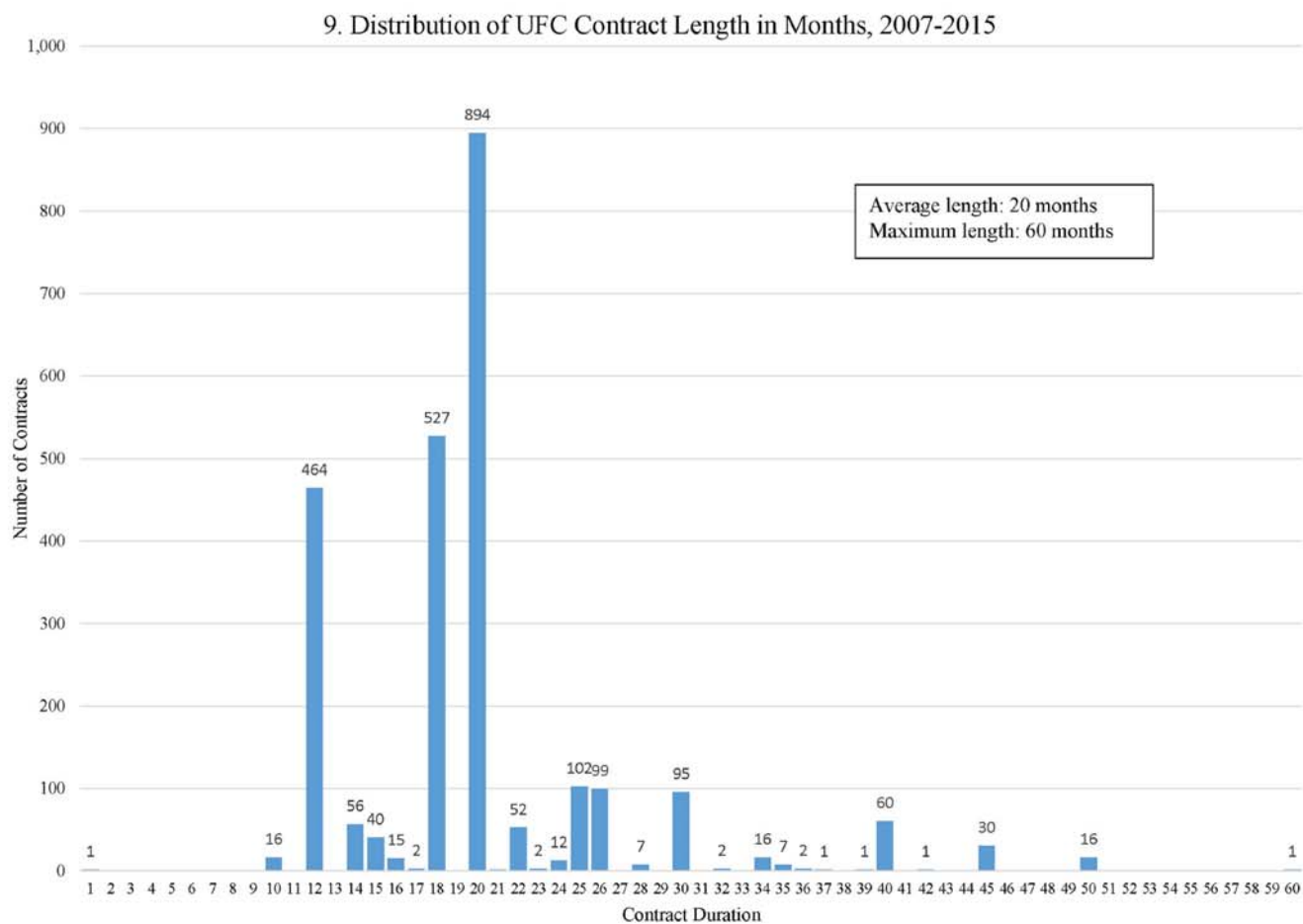
8. Notes and Sources

Notes

1. Where a source provides a range of estimates, the midpoint is used.

Sources

1. Kaplan, D. (2013). "Contrast in revenue for tennis tours." SportsBusiness Journal, 16(32), 3. Retrieved from bit.ly/1CSBLu2
2. Clarey, C. (2012). "Off court, tennis stars are putting pressure on the Grand Slams." New York Times. Retrieved from nyti.ms/1V86hGw
3. Futterman, M. and Bialik, C. (2011). "Forget about the roof, here are some quick fixes for the Open's faults." Wall Street Journal. Retrieved from on.wsj.com/1DsZpZc
4. Brown, M. (2014). "Major League Baseball sees record \$9 billion in revenues for 2014." Forbes. Retrieved from onforb.es/1siLz6c
5. Grow, N. (2015). "The MLBPA has a problem." FanGraphs. Retrieved from bit.ly/1CD9vJz
6. Bucholtz, A. (2014). "What percentage of league-wide revenues could CFL players get in 2014 under the proposed CBA." Yahoo! Sports Canada. Retrieved from yhoo.it/1HSQ4e5
7. Young, J.E. (2014). "The MLS CBA: A point of view on player salaries." SB Nation. Retrieved from bit.ly/1LdiRAZ



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9. Notes and Sources

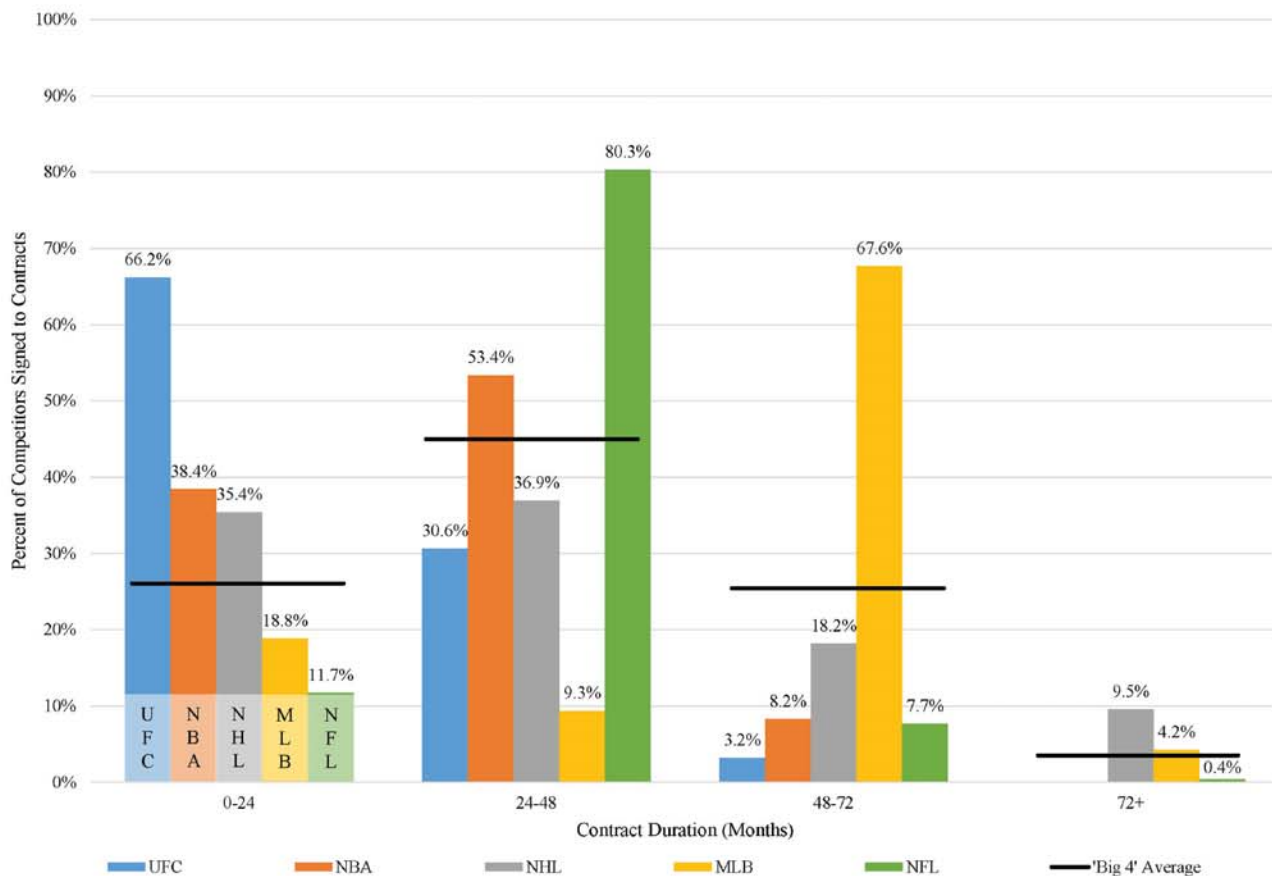
Notes

1. Excludes contracts that could not be matched to compensation data.
2. Excludes contract extensions (original terms only).

Sources

1. UFC Fighter Matrices

10. Percent of UFC and 'Big Four' Contracts by Duration, 2015



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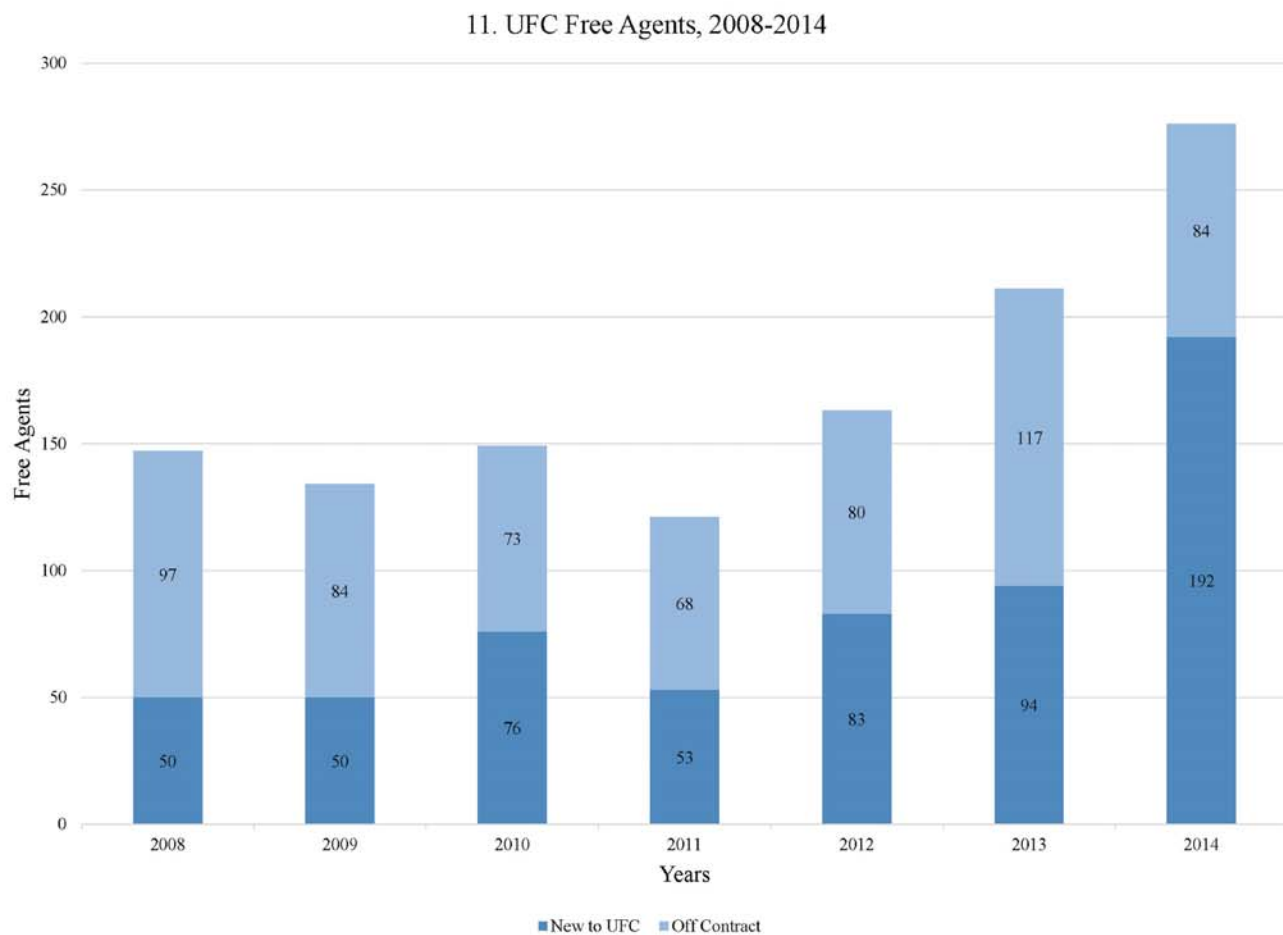
10. Notes and Sources

Notes

1. Contract lengths do not include extensions or any other alterations occurring after the contract start date.
2. 541 MLB contracts expire before the signee is eligible for free agency. Per the 2012-2016 MLB CBA, players need six years of service time to be eligible for free agency. Their contract length is identified as 6* and is effectively six years.
3. Per the 2011-2020 NFL CBA, all incoming draft picks (roughly 250+ each season) are eligible only for four-year contracts (first-round picks with a fifth-year option) and all incoming undrafted free agents are eligible only for three-year contracts, unless released. There are 806 such contracts: 802 four-year contracts and four three-year contracts.
4. 568 UFC contract durations are expressed in months. Durations greater than zero months and less than or equal to 12 months are graphed as one-year durations. Durations greater than 12 months and less than or equal to 24 months are graphed as two-year durations, etc. 13 additional UFC contracts have no discernable duration: 2 have the duration left blank, while 11 indicate only "Last Extension."
5. "Big 4" Average" not weighted by the number of contracts in each league; rather a simple average of the four leagues

Sources

1. spotrac.com; accessed 7/15/2015
2. 2012-2016 Major League Baseball Basic Agreement, p. 86; atmlb.com/IJloup
3. Collective Bargaining Agreement, NFL and NFL Players Association, August 4, 2011, p. 24; bit.ly/IIThOU4.
4. UFC_05-13-15.xls; received 8/13/15



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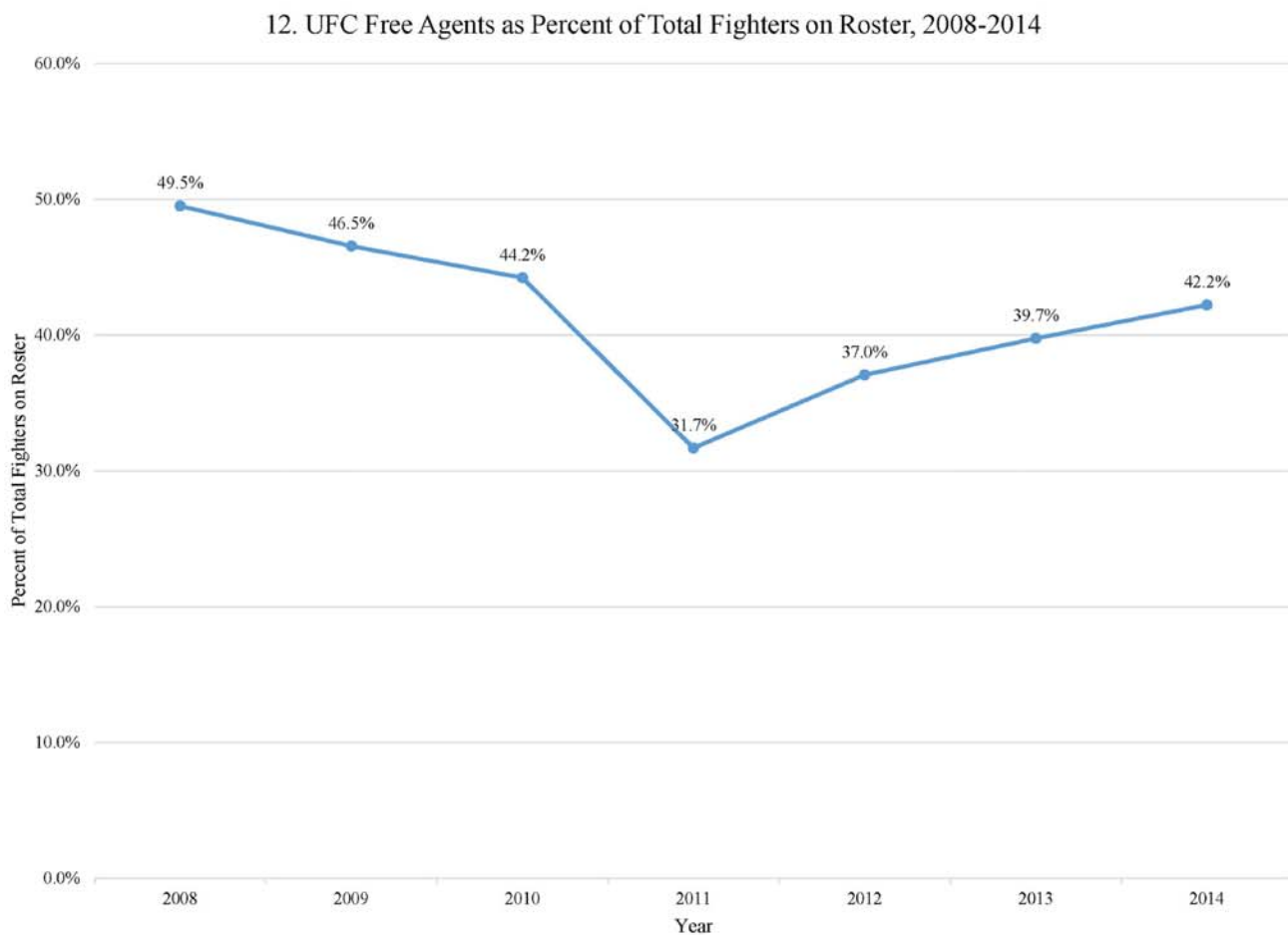
11. Notes and Sources

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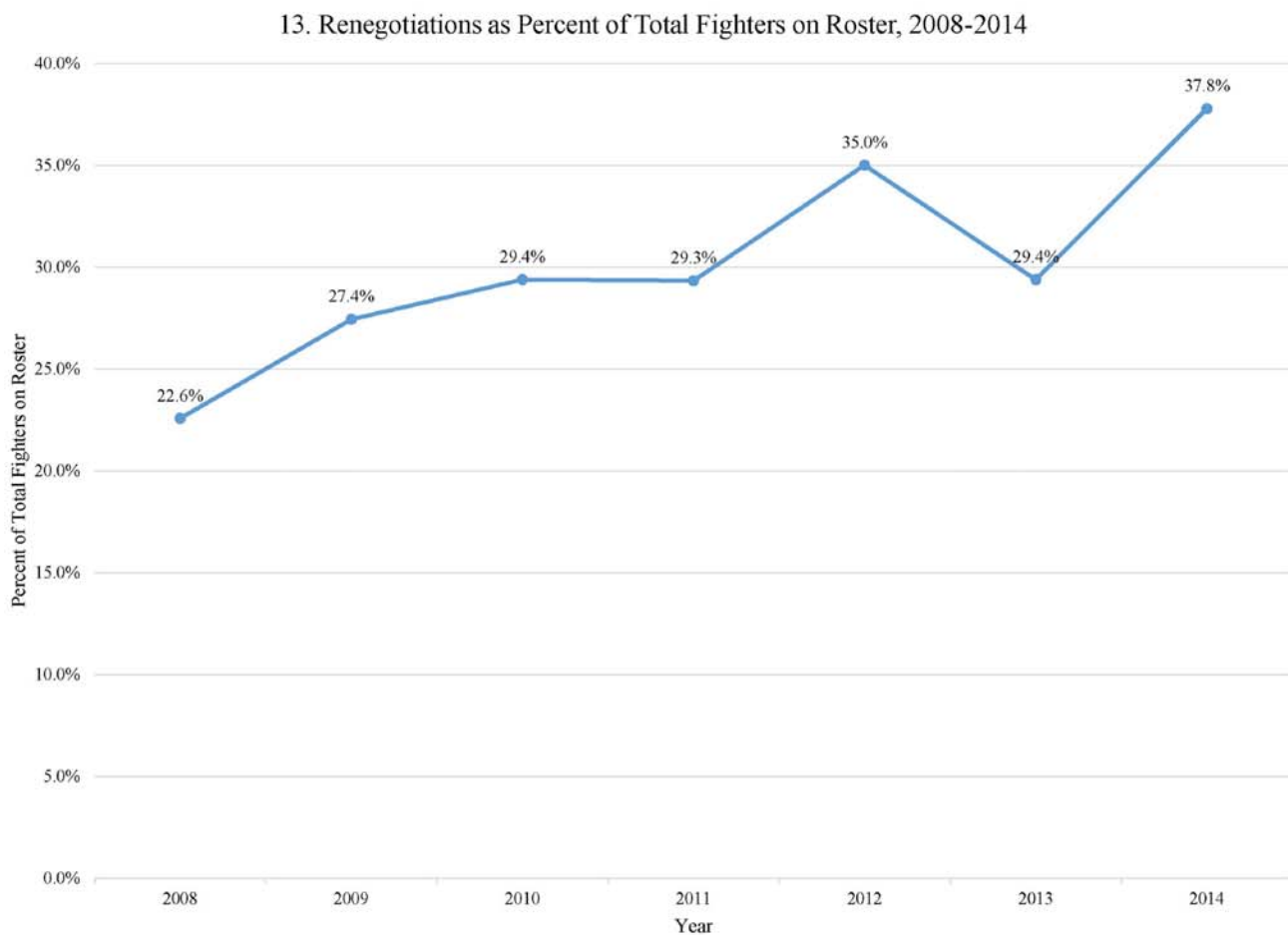
1. “Off Contract” fighters are defined as Finished Contract fighters and Cut fighters. Finished Contract fighters are defined as fighters who completed their contractual number of fights (where the difference between fights fought as reported in the compensation data and the contractual number of fights is zero, excluding fighters new to UFC and Cuts). Cut fighters are defined as fighters appearing in Cut roster at the earliest report date available in the fighter matrices, excluding duplicates.
2. “New to UFC” fighters are defined as fighters on their first contract where the effective start date of the contract falls within the calendar year. (Excludes fighters appearing on the first fighter matrix and Finished Contract Fighters.)

Sources

1. UFC Fighter Matrices; UFC Compensation data.



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12 & 13. Notes and Sources

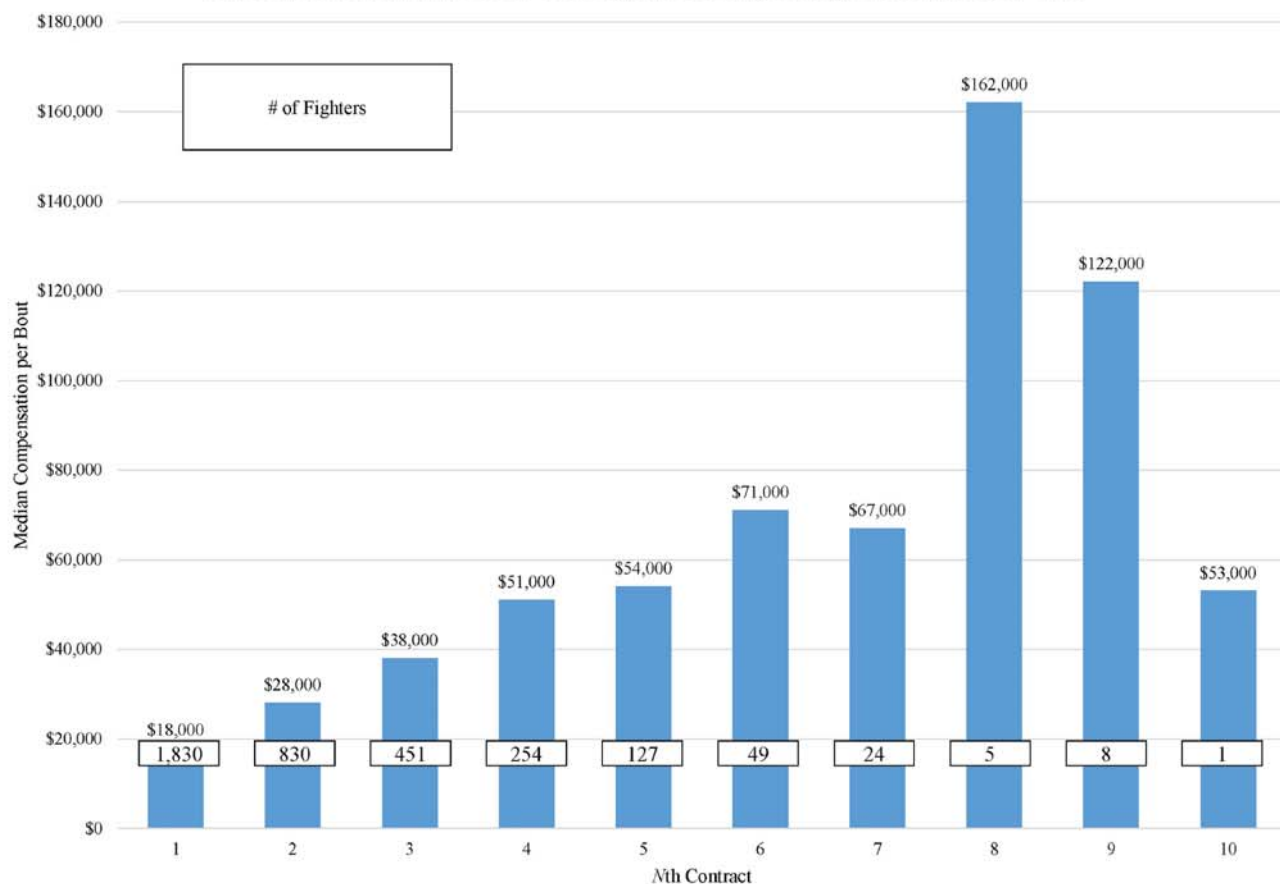
Notes

1. "Cuts" are defined as Fighters appearing in Cut roster at the earliest report date available in the fighter matrices. Excludes duplicates.
2. "On Contract" fighters includes New Entrants (all fighters on their first contract where the effective start date of the contract falls within the calendar year. Excludes fighters appearing on the first fighter matrix.) and Fighters who have completed their contractual number of fights (where the difference between fights fought as reported in the compensation data and the contractual number of fights is zero). This number excludes New Entrants. Both numbers exclude Cuts.
3. "Total Fighters on Roster" = [a] Fighters Cut From Roster + [b] Fighters Signed to First Contract + [c] Fighters Who Have Completed Contractually Required Fights + [d] All Non-Duplicative Fighters Remaining on Roster as of Dec 31 of each year.
4. "Renegotiations" are defined as all fighters on contract 2 and higher, with an effective contract start date that falls within the calendar year, excluding contract extensions, and free agents (fighters new to UFC, fighters cut from roster, and fighters who have completed their fights)

Sources

1. UFC Fighter Matrices; UFC Compensation data

14. Median Compensation for UFC Fighters Renegotiating Contracts, 2007-2015



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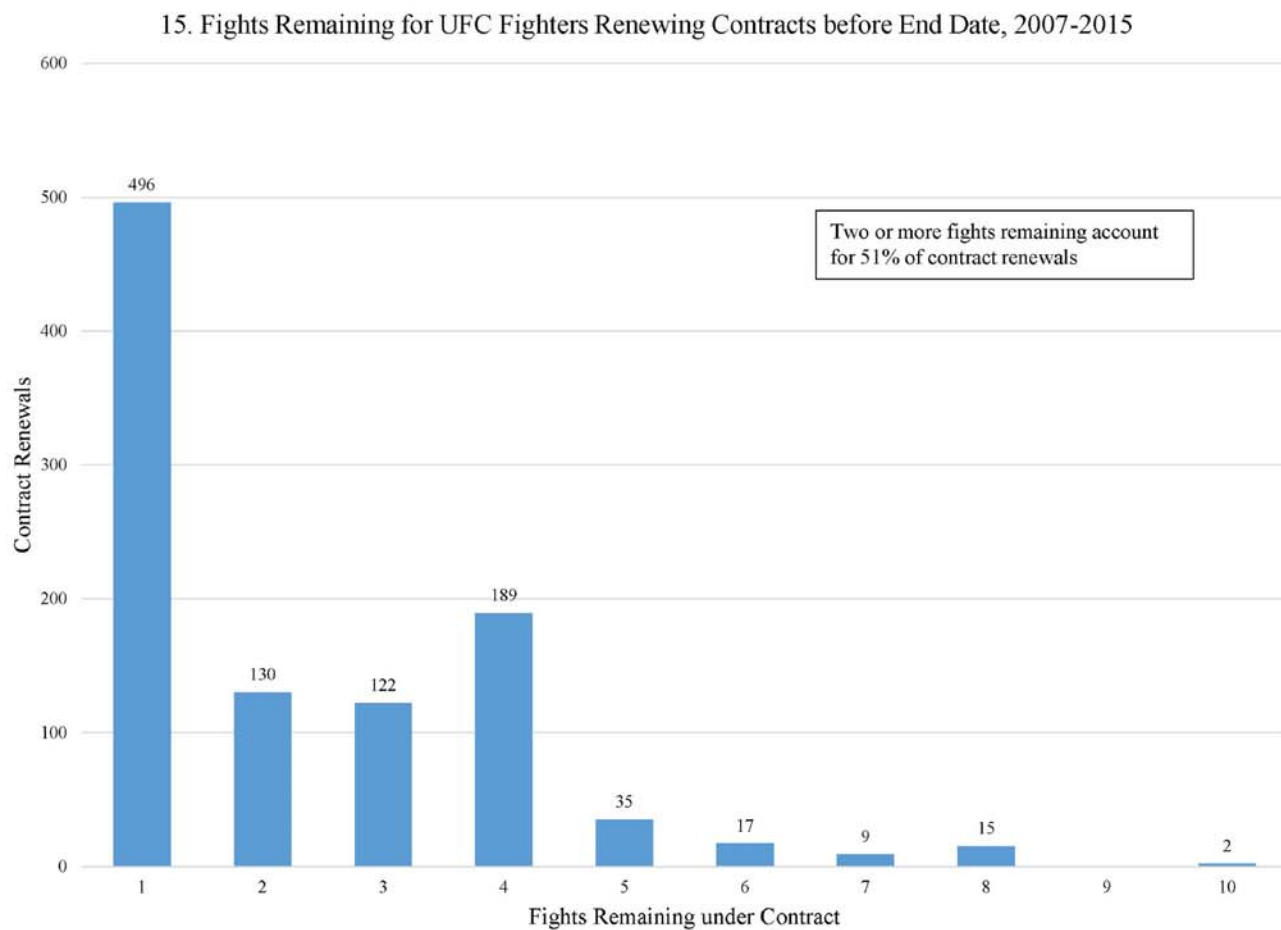
14. Notes and Sources

Notes

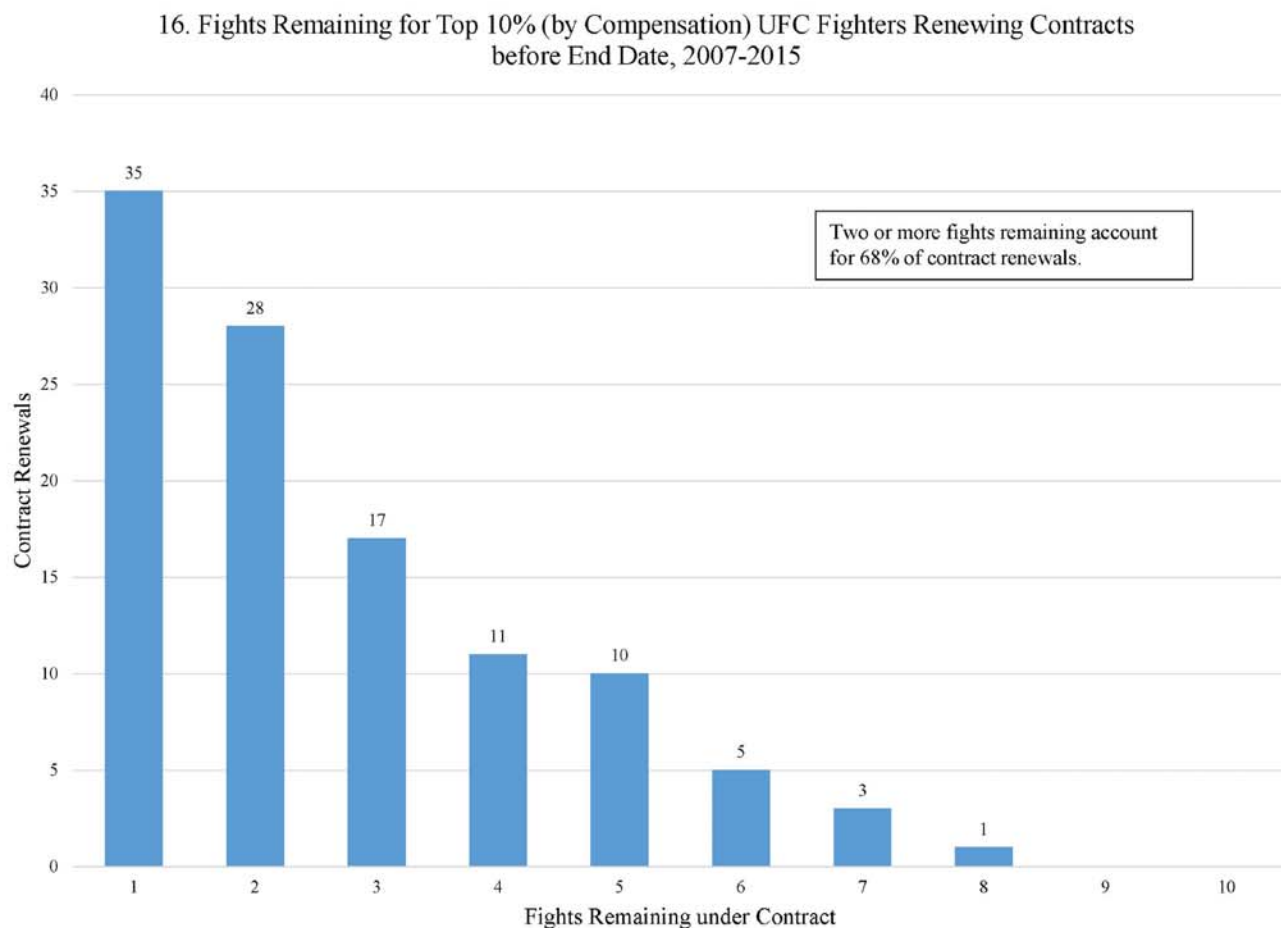
1. Total bouts calculated as all fighter-bouts for which there exist contract numbers, less "non event" records. Total bouts excludes fighters from the first contract matrix.
2. Excludes fighters with zero remaining fights on their contract.
3. Contracts are numbered in order, only a final contract extension is assigned a number. Bouts are assigned contract numbers if they fall on or between contract start date and adjusted contract end date.

Sources

1. UFC Fighter Compensation, UFC Fighter Matrices



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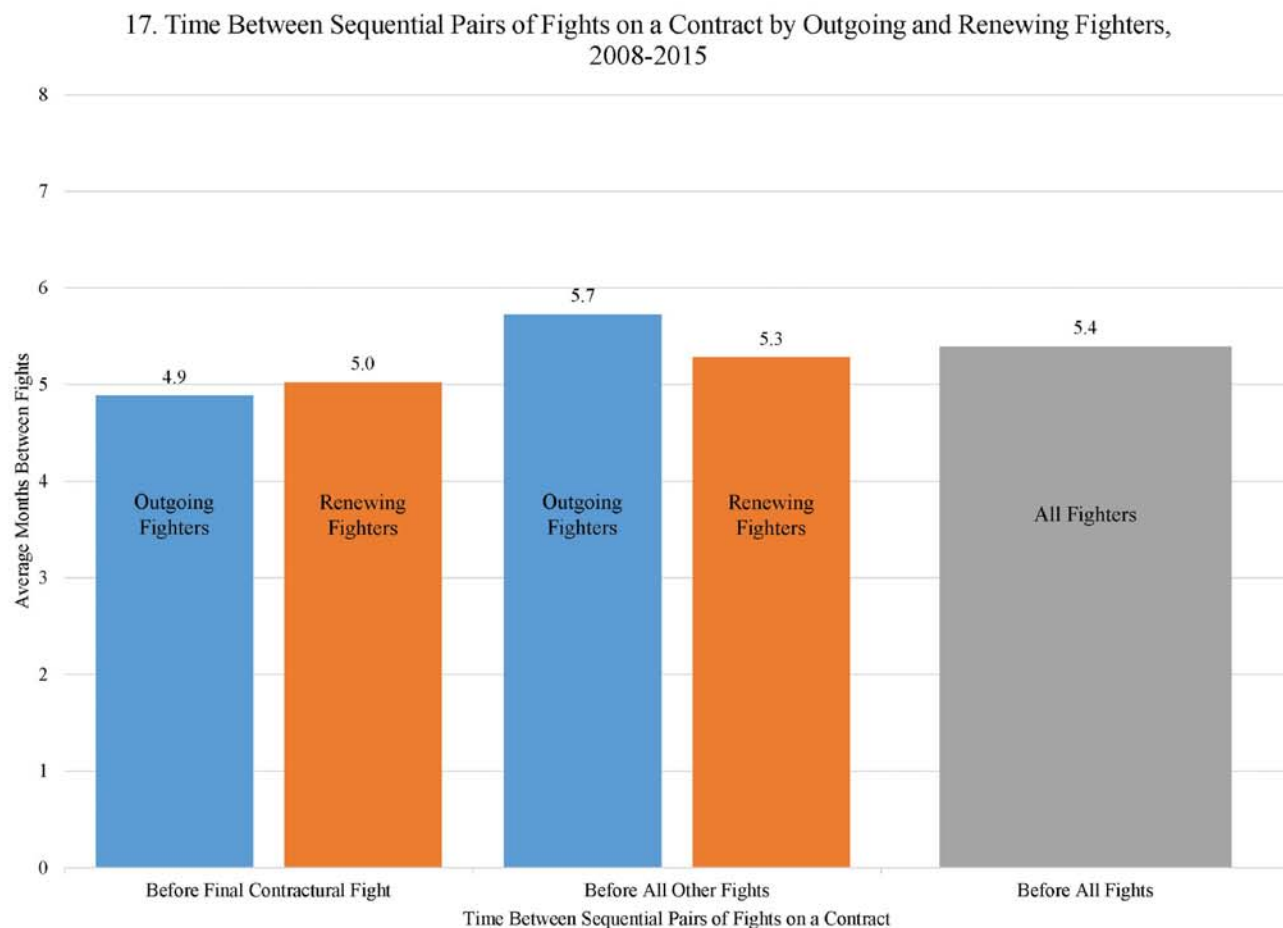
15 & 16. Notes and Sources

Notes

1. Fights remaining is defined as the difference between the contracted number of fights (from UFC matrices) and the number of bouts fought under contract (bouts that fall on or between contract start and adjusted end dates if new contract starts before the contractual end of old contract).
2. Analysis only includes new contracts that were signed before the end of the old contract period.
3. Contract extensions are excluded from analysis.
4. Last contracts are excluded from analysis (this excludes any current contracts, as well as all retired contracts and cut contracts).
5. Cases where a fighter fought more bouts than called for by contract excluded from analysis.
6. Zero fights remaining not shown.
7. Excludes fighters whose names were not matched between Fighter matrices and Compensation data.

Sources

1. UFC Fighter Matrices 2007-2015.



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17. Notes and Sources

Definitions

1. **Fights Remaining** = (a contract's specified number of fights) - (all fights actually fought by a fighter during the contract's actual time frame)
2. **Final Contractual Fight** = a fighter's Nth fight actually fought on a contract specifying N fights
3. **Additional Fight** = a fighter's Nth+1 fight actually fought on a contract specifying N fights
4. **Sequential Pair** = the time between two consecutive fights actually fought by a fighter during the fighter's contract
5. **Sequential Pair*** = the time between a fighter's Final Contractual Fight (actually fought) and the fighter's previous fight on the contract

Notes

1. After a fighter's Final Contractual Fight, a fighter has zero Fights Remaining.
2. A fighter with zero fights remaining (who fought at least two fights on a contract) has a Sequential Pair*.
3. Due to various bonus and award clauses, 91 of the 2,522 contracts feature a fighter with an Additional Fight. Such fighters have -1 fights remaining.
4. Fighters with -1 fights remaining uniquely have two Final Contractual Fights on a single contract. Consequently such fighters have two Sequential Pairs* on a single contract: the first is the time between their Nth-1 fight and their Final Contractual Fight, and the second is the time between their Final Contractual Fight and their Additional Fight.
5. "Before Final Contractual Fight" is the average of the Sequential Pairs*; this only includes fighters with zero or -1 fights remaining.
6. "Before All Other Fights" is the average of all Sequential Pairs, excluding Sequential Pairs*.
7. "Before All Fights" is the average of all Sequential Pairs, including Sequential Pairs*.

Sources

1. UFC Fighter Matrices, 2007-2015; UFC Compensation Data 2007-2015